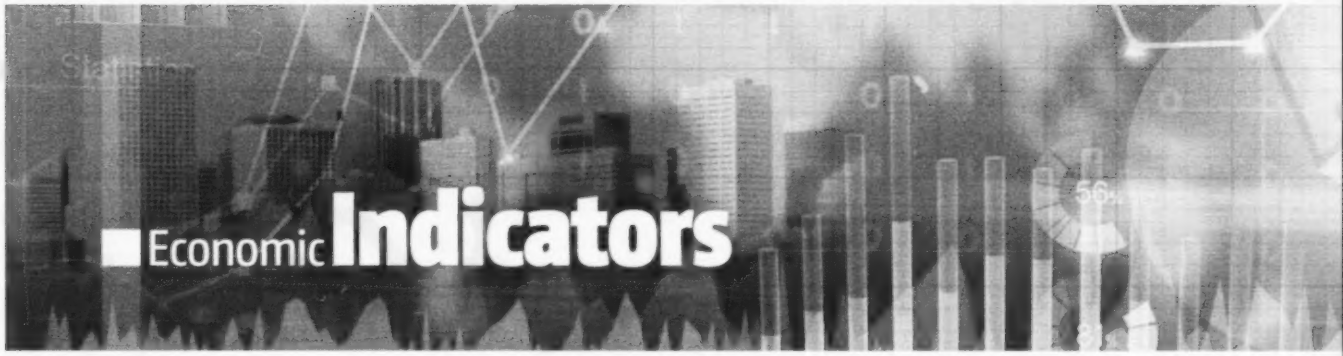

Solid Job Growth for Edmonton

June 9, 2017

Employment in the Edmonton region has steadily increased since January of this year. In May, employment rose by approximately 3,700 positions in the Edmonton Census Metropolitan Area (CMA), with gains entirely made up of full-time positions. Employment gains in Edmonton were concentrated in manufacturing, professional services, and financial services.

The unemployment rate fell from 8.1% in April 2017 to 7.9% in May 2017 as the number of new jobs outweighed ongoing growth in the labour force. The unemployment rate for Calgary in May 2017 was 9.1%, down from 9.3% in April 2017.

Labour Force Survey Results–Edmonton Census Metropolitan Area
Three-month moving average–seasonally adjusted

	May 2016	Apr 2017	**May 2017**	Apr 2017 to May 2017	May 2016 to May 2017	Apr 2017 to May 2017	May 2016 to May 2017
	(000)	(000)	**(000)**	(000)	(000)	%	%
Population (15 years and older)	1118.7	1132.8	**1134.6**	1.8	15.9	0.2	1.4
Labour force	836.4	829.9	**831.8**	1.9	-4.6	0.2	-0.5
Employment	778	762.8	**766.5**	3.7	-11.5	0.5	-1.5
Unemployment	58.9	67.2	**65.3**	-1.9	6.4	-2.8	10.9
Unemployment rate (%)	7	8.1	**7.9**	-0.2	0.9	...	...
Participation rate (%)	74.8	73.3	**73.3**	0	-1.5	...	...
Employment rate (%)	69.5	67.3	**67.6**	0.3	-1.9	...	...

Source: Statistics Canada

Employment in Alberta was also up in May, with a gain of 19,000 full-time jobs more than offsetting a loss of approximately 17,000 part-time positions. As well, the number of individuals

seeking work in Alberta slipped marginally in May. Consequently, Alberta's unemployment rate went from 7.9% in April 2017 to 7.8% in May 2017.

In May, Canada's overall employment surged by 54,500 positions. This very strong gain was driven by broad-based full-time employment gains in both the goods producing and services sides of the economy. However, the number of people seeking employment in Canada also rose dramatically in May. As a result, the Canadian unemployment rate edged up from 6.5% in April 2017 to 6.6% in May 2017.

Significance

While it is now clear that Edmonton's labour market is improving, the region's job losses during 2016 in the goods producing sector demonstrate that the region is not immune to the impact of lower oil prices. Nonetheless, gains in the Edmonton region's full-time employment since January 2017 suggest employers are now more confident about adding to their workforce.

Over the second and third quarters of 2017, employment in Edmonton will continue to grow in the manufacturing, professional services and logistics sectors. However, the unemployment rate is unlikely to move much lower than May's 7.9% reading as the local labour force continues to expand and individuals, discouraged by very difficult employment conditions in the second half of 2016, return to the active labour force.

Growth in the working age population, up 1.4% from May 2016 to May 2017, has been a key factor in addressing labour and skill shortages that began to emerge in Edmonton prior to the downturn in energy prices in 2014. However, with Edmonton's unemployment rate still well above the national average, net migration into the region has slowed down, especially when compared to the volumes seen over the period from 2010 to 2014. This will slow the growth in the working age population over the remainder of 2017.

Limitations

Since employment trends, particularly in the full-time category, tend to lag behind developments in overall economic activity, they are a better indicator of past, rather than current, conditions in the economy. However, employment trends are useful predictors of future changes in incomes and consumer spending. Statistics Canada publishes a three-month moving average of all labour force values for the Edmonton region, an approach that sometimes results in the number of reported jobs lagging behind developments in the Edmonton region's economy.

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